

Improving Member Engagement through a Digital Health Platform

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Background information

The South Carolina Public Employee Benefit Authority (PEBA) was created July 1, 2012, and is governed by an 11-member Board of Directors who supervises and directs the agency's functions. The agency's workforce includes 262.75 full-time employees and 10 temporary employees.

PEBA manages retirement plans for nearly 565,000 members of South Carolina's workforce by serving as the fiduciary stewards of the contributions and disbursements of the pension trust funds. In partnership with the state's public employers, PEBA helps ensure that the state's public employers can offer their employees a comprehensive retirement plan that is responsive to their needs and is equitable to all stakeholders.

PEBA also offers several insurance products and programs to more than 480,000 people (including spouses and dependents) throughout South Carolina. PEBA is responsible for the prudent fiscal stewardship of the funds and for helping to ensure that the State Health Plan remains an affordable yet comprehensive option for employers and members.

More than 850 employer groups participate in PEBA retirement and/or insurance benefits programs including state agencies, public colleges and universities, public school districts, as well as local subdivisions of government such as counties and municipalities.

Problem statement

Getting State Health Plan members engaged in their health is vital to reigning in ever-increasing costs to the State Health Plan. Currently, there are value-based initiatives available to members

at no cost to help improve their health. These initiatives include, but are not limited to, preventive screenings, No-Pay Copay program, adult vaccinations, colorectal cancer screenings, tobacco cessation and health coaching for a variety of conditions.

The mission of our agency is to provide competitive retirement and insurance benefit programs for South Carolina public employers, employees and retirees. Our agency's vision is serving those who serve South Carolina. The mission, vision and strategic goals of the agency are at the forefront of our everyday work. Two of PEBA's six strategic goals for 2016-2018 are:

- Improve health outcomes and promote retirement awareness; and
- Enhance the customer experience for members and employers.

PEBA wants to meet members where they are—on their electronic devices and social media—in an effort to get members even more engaged with their health. Therefore, PEBA, in collaboration with its third-party administrator, BlueCross BlueShield of South Carolina (BlueCross), is launching Rally® in April 2017. Rally is a new digital health experience that will encourage members to get and stay healthy through personalized challenges, reward and content.

The purpose of this project is determine how the launch of this new platform, including an extensive marketing campaign, will impact the health of State Health Plan members as well as overall cost savings to the Plan and members.

PEBA administers the State Health Plan for South Carolina's public workforce, including active employees, retirees, COBRA subscribers and survivors. The State Health Plan is a self-funded, or self-insured, health plan meaning it does not pay premiums to an insurance company, but

rather collects member and employer premiums, holding the funds in trust to pay claims and administrative expenses.

The State Health Plan spends more than \$2 billion per year in claims expenses. Since the Plan is self-funded, this cost is borne completely by employers and employees through health premiums. Prescription drug benefits are included as part of the State Health Plan, and prescription drug costs are a major part of the cost to the Plan. Health management is key to maintaining a low cost for the plan and premiums. As such, it's important for State Health Plan members to be engaged in their health.

Data collection

Total State Health Plan enrollment

Rally will be available to all State Health Plan primary members age 16 and older. Medicare-primary members are not eligible to participate in Rally because the State Health Plan is not the primary payor for their claims. However, if a State Health Plan-primary member registers for and uses Rally after the April 1, 2017, launch and then becomes eligible for Medicare at a later date, the member can continue to utilize Rally, but will not have access to State Health Plan-specific information inside the platform such as connection to a health coach. Enrollment in the State Health Plan as of January 2017 totals 482,547. Of those, 128,839 are dependents, or children, which all may not be of age to access the new health platform. As of September 2016 enrollment when benchmark data (see Appendix C for average engagement benchmark data for digital platform on Page 17) was determined, the total eligible population to use Rally was

320,072. A breakdown of current State Health Plan enrollment, including a breakdown by employer type is included in Appendix A on Page 15.

Top five medical and pharmacy cost drivers to the Plan

When planning for the launch of Rally, the claims data that was available for review included claims incurred January 1, 2015, through December 31, 2015, and included a runout period for claims incurred during that time to be paid through March 31, 2016. The data presented represents State Health Plan primary members only (Standard and Savings Plans). This is the same population for which Rally will be available. For this period, the top five medical cost drivers were:

1. Musculoskeletal and connective tissue (i.e., joint disorders, neck and back pain)
2. Neoplasms (cancers)
3. Digestive
4. Circulatory
5. Symptoms, signs and ill-defined conditions

For the same period, the top five pharmacy cost drivers were:

1. Anti-diabetics
2. Anti-inflammatory
3. Anti-hyperlipidemics (cholesterol)
4. Psychotherapeutic and neurological agents
5. Antivirals

Utilization rate of current online resources

As of December 2016, there were 102,141 registered State Health Plan accounts for My Health Toolkit, a one-stop shop for members to manage their health benefits. Through this secure portal, members can determine if something is covered by the State Health Plan. Members can also look up your medical and dental coverage, deductible and out-of-pocket spending, as well as view the status of any current or previous medical claim, the date of service and the amount charged by their provider. Medical history is also available online via My Health Toolkit.

Members will be directed to this secure portal to register and access Rally. PEBA anticipates seeing an increase in the utilization of My Health Toolkit after the launch of Rally. A chart showing the monthly growth of My Health Toolkit enrollments is available in Appendix B on Page 16.

Average engagement benchmark data for digital platform

BlueCross has contracted with Rally Health to offer this digital health platform to the State Health Plan, as well as its other books of business. During the initial planning stages for implementing Rally, engagement benchmark data was provided from Rally per its book of business based on a rolling 12-month period. For non-incented participants, the average benchmark for registration is 7 percent. The low registration benchmark is 1 percent, and the high registration benchmark is 33 percent. For incented participants, the average benchmark for registration is 22 percent. The low registration benchmark is 2 percent, and the high registration benchmark is 84 percent.

Based on these numbers from Rally, PEBA and BlueCross determined registration goals specific to the State Health Plan population. Since Rally will be live for nine months of 2017, we have set our goals based on September 2016 enrollment data to represent three quarters of activity for the first year.

For non-incented participants, PEBA's average goal for registration is 10,969 registered users. Our low registration goal is 1,567 registered users, and our high registration goal is 51,710 registered users. For incented participants, PEBA's average goal for registration is 18,338 registered users. Our low registration goal is 1,667 registered users, and our high registration goal is 70,019 registered users.

More benchmark data and PEBA's goals are outlined in Appendix C on Page 17.

Data analysis

The data collected identified above was used when deciding what type of digital health platform to implement for State Health Plan members. One of the primary factors used was the top cost drivers to the Plan. As mentioned previously, the State Health Plan is a self-funded, or self-insured, health plan meaning it does not pay premiums to an insurance company, but rather collects member and employer premiums, holding the funds in trust to pay claims and administrative expenses. The rise of insurance costs is a hot topic in today's media. Controlling these costs of the Plan not only benefits the State Health Plan and PEBA from an administrative perspective, but also benefits members and employers as monthly premiums are determined each year based on actual claims experience.

In 2017, for employee-only coverage for an active employee enrolled in the Standard Plan, the member contributes \$97.68 per month and his employer contributes \$362.98 per month. A member with full family coverage in the Standard Plan contributes \$306.56 per month and his employer contributes \$900.18 per month. Premiums for all plans and coverage levels are available in Appendix D on Page 19.

According to the Standard Life Insurance Company of New York, 22 percent of employers' payroll is associated with direct and indirect costs of employee absence (The Standard, 2016). Additionally, 29 percent, on average, is the amount of lost productivity each day resulting from a co-worker covering for an absent colleague. Getting State Health Plan members engaged in improving their health will not only help in cost savings as discussed above, but may also help to decrease absenteeism and increase productivity for the state's public employers.

Looking at the overall claims data for the State Health Plan, diabetes is the third-most prevalent chronic condition in the State Health Plan population. The Centers for Disease Control states that one in three people in the U.S. are expected to have type 2 diabetes by 2050 (Americans with Diabetes, 2010), . The estimated cost impact related to diabetes to the State Health Plan is \$1.2 billion annually. A recent study published in the New York Times suggests that excess weight has a greater impact on diabetes than heart disease (Bakalar, 2016). According to State of Obesity, South Carolina now has the 13th highest adult obesity rate in the nation with a 31.7 percent adult obesity rate (State of Obesity, n.d.).

The Rally platform will give State Health Plan members a digital experience that will encourage them to get and stay healthy through personalized challenges aimed to get members to move

more, eat better and feel great. Members can also participate in discussion boards and challenge other Rally participants in missions. Members who participate in health coaching will also be able to connect to their personal health coach through the Rally platform. To encourage registration and repetitive engagement on the platform, members will earn Rally Coins which can be used to enter sweepstakes for prizes.

Implementation plan

On April 1, 2017, PEBA will launch Rally for State Health Plan primary members age 16 and older. Rally is a consumer platform for health and well-being that inspires individuals to take steps that lead to better health through behavior change. Rally uses a variety of sources including claims, biometric data, self-reported data, clinical information and evidence-based guidelines to identify gaps in care and recommend health management programs or other interventions. Rally offers digital coach connections, a health survey, interactive well-being programming, device integration and rewards, and PEBA will also use Rally to promote and educate members on the State Health Plan's value-based benefits and other helpful resources to get them excited about their health.

The Communications and Health Initiatives departments at PEBA have been working collaboratively with BlueCross and Rally Health to develop an implementation plan which included an extensive marketing plan. PEBA will rely heavily on our 680 employers to promote Rally to our eligible members. For previous initiatives, benefits administrators at the employer groups asked for turnkey marketing toolkits with materials they could easily access and download to share with their employees. Therefore, we created the PEBA Health Hub

(www.PEBAHealthHub.com). Toolkits have been created for a variety of topics and we have included other materials from PEBA's insurance vendors. The Health Hub has become the one-stop-shop for benefits administrators to access marketing materials and PEBA has received positive feedback from employers about the quality and type of materials provided.

Due to the success of developing toolkits for other campaigns, and with Rally Health's experience in launching the platform, four customized campaigns have been developed for the initial launch. Each toolkit includes a variety of collateral such as posters, flyers, eblast templates, newsletter articles, digital banners and social media posts. Benefits administrators have a wide variety of responsibilities, some of which include payroll processing, benefits enrollment and evaluations. As such, PEBA and BlueCross have developed a timeline for weekly emails to benefits administrators to make their job easier. Each email will include instructions on what items to share that week with their employees. For example, the first week's email in the pre-launch campaign will ask the benefits administrator to download and print the poster and flyer and display them throughout the office. We'll also ask the benefits administrator to send an eblast to their employees. The eblast is already drafted and the benefits administrator can simply copy and paste the content into the body of an email. Each week's materials are linked in the email benefits administrators will receive from PEBA, further simplifying the process for the employer. In addition, each email will also include a link to the Health Hub in case an employer wants to move forward with other pieces.

Rally is also developing one-sheet flyers that can be used by employers outside of a specific campaign. Evergreen campaigns are also being created for use after the initial launch and promotion has wrapped up. Each evergreen campaign will be available for benefits

administrators via the PEBA Health Hub and will include a full toolkit of a variety of collateral such as posters, flyers, eblast templates, newsletter articles, digital banners and social media posts.

In addition to the emails to benefits administrators specific to that week's promotion, we will include links to Rally blog posts and other information in our weekly e-newsletter sent to all benefits administrators. According to Constant Contact, the average email open rate for government agencies is 23.8 percent. PEBA's average email open rate for messages sent to employers is 40.04 percent, which is a 16.24 percent increase over the average open rate (Average Industry Rates, n.d.).

The promotion of Rally will be infused into all appropriate communications that are sent to our members and employers. PEBA is working with BlueCross to update health coaching materials (flyers, welcome letters, postcards, etc.) that are sent to members who are identified through claims data as someone eligible for one of the available health coaching programs. Rally information will be included in these materials as Rally will provide another way for members to connect with their personal health coach.

Additionally, PEBA's Customer Contact Center will promote Rally to members who call, and Rally-specific webpages have been added to PEBA's public website, as well as BlueCross' State Health Plan website. Members of PEBA's management team meet regularly with various stakeholders including employee and retiree associations which represent a variety of populations that PEBA serves. Our management team also make presentations to the "c-suite" at employers which includes executive directors and the like. This is another opportunity to

engage with our employers at a different level other than our typical contact with benefits administrators and human resources professionals. Rally promotion is included in all of these presentations.

According to EffectiveBusinessIdeas.com, “In marketing, the rule of 7 assumes that your prospects need to come across your offer at least 7 times before they will take action or purchase what you’re selling.” (Onibalusi, n.d.). Through messaging targeted to State Health Plan members through their employer, PEBA and BlueCross, we are confident that we will touch a member more than seven times over the course of the launch of Rally.

Evaluation method

To evaluate the effectiveness of the two initial campaigns (pre-launch and Rally Age), we conducted a soft launch to targeted employer groups. The soft launch was February 1, 2017, and we began weekly emails (pre-launch campaign) to these targeted benefits administrators the first week in January, one month out from the launch of the platform to their population. The Rally Age campaign began the week of January 30, 2017 and will continue throughout the month of February.

We will conduct a survey of these employers in mid-February to evaluate the effectiveness of the weekly emails and materials that were provided. All four campaigns are already available on the PEBA Health Hub and this group will also provide feedback on the other materials. PEBA and BlueCross will then reevaluate materials and email communications to be used for the full launch.

At the end of the full launch, we will also send an evaluation to all employers. We will also evaluate the success of the launch by reviewing eligible members who registered and used the platform throughout the first year (through March 31, 2018). Our target member engagement for incented members, or those eligible for the No-Pay Copay program, is at least 18,000. Our target member engagement for non-incented members is at least 10,000.

Additionally, we will monitor participation in health coaching programs throughout the first year. Ideally, participation and compliance in these programs will increase due to the ease of use of the Rally platform, which in turn will make an impact on the health of the State Health Plan membership and savings to the Plan and members.

Summary and recommendations

In summary, PEBA wants to meet members where they are—on their electronic devices and social media—in an effort to get members even more engaged with their health. Collaboration among PEBA, BlueCross and the state’s public employers will be key in launching Rally in April 2017. The effects of the extensive marketing campaign, measured by the improved health of State Health Plan members, as well as overall cost savings to the Plan and members, will be monitored closely over the next year. Claims data typically has a “runout” period of three months. Therefore it will be late summer 2018 before we are able to get a full year’s worth of claims information after the launch of Rally.

PEBA is excited about this new benefit available to eligible State Health Plan members at no cost to them. We will continue to evaluate the benefits offered to members in an effort to promote engagement and healthy lifestyles.

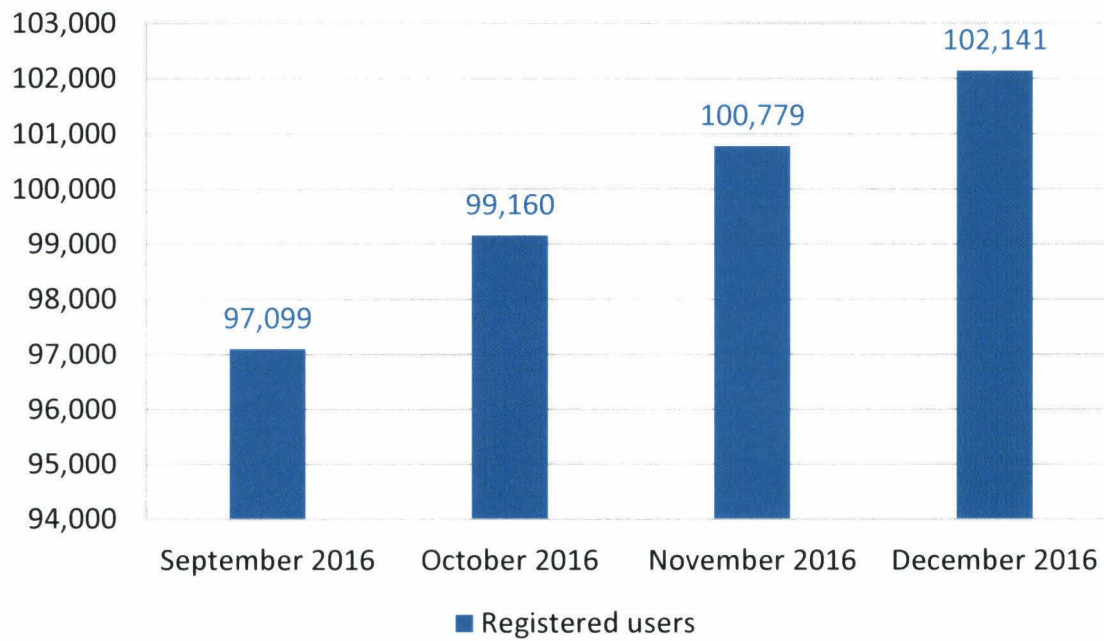
Appendix A: State Health Plan enrollment as of January 2017

Subscribers		
Subscribers		273,731
Actives	188,089	
Retirees	82,287	
Others	3,355	
Spouses		79,977
Children		128,839
Total covered lives		482,547

Active subscribers	
State agencies	35,432
Higher education	25,649
School districts	86,141
Local subdivisions	32,580
Other	8,287
Total covered lives	188,089

Retirees	
Medicare	62,212
Non-Medicare	20,075
Total retirees	82,287

Appendix B: Utilization rate of My Health Toolkit



Appendix C: Engagement benchmark data for digital platform

Expected PEBA engagement | goals based on rolling 12-month period

	No-Pay Copay incented goal	Non-incented goal
Registration – low	2,223	2,089
Registration - average	24,451	14,625
Registration – high	93,359	68,947
Survey completions	23,229	13,894
2+ logins	17,116	10,238
4+ logins	11,248	6,728
Joined a Mission	13,937	8,336
Entered a Sweepstake	8,558	5,119

Expected PEBA engagement | goals based on 2017 with three quarters of activity

	No-Pay Copay incented goal	Non-incented goal
Registration – low	1,667	1,567
Registration - average	18,338	10,969
Registration – high	70,019	51,710
Survey completions	13,066	7,815
2+ logins	9,628	5,759
4+ logins	6,327	3,784
Joined a Mission	7,840	4,689
Entered a Sweepstake	4,814	2,879

Appendix D: 2017 monthly insurance premiums for active employees

Employee rates			
	Savings Plan	Standard Plan	TRICARE Supplement
Employee only	\$9.70	\$97.68	\$62.50
Employee/spouse	\$77.40	\$253.36	\$121.50
Employee/children	\$20.48	\$143.86	\$121.50
Full family	\$113.00	\$306.56	\$162.50

Employer rates	
	Health
Employee only	\$362.98
Employee/spouse	\$718.98
Employee/children	\$557.10
Full family	\$900.18

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